



Wisconsin Works Leavers Survey Those Who Left W-2 Cash Assistance April 1998 through December 1998

Executive Summary

This report presents combined data from three successive quarterly surveys taken of cash assistance recipients who left the Wisconsin Works (W-2) program between April 1 and December 31, 1998. This period represents the first three quarters in which every recipient of cash assistance in Wisconsin was enrolled directly in W-2, and every person leaving cash assistance was leaving that program rather than its entitlement-based predecessor, Aid to Families with Dependent Children (AFDC) or a program-in-transition from AFDC to W-2. Thus this is the first glimpse of the effects of W-2 in full implementation throughout Wisconsin, one that begins to capture not only the first moments of that implementation but the deepening impact of W-2 nine months into the program's development.

The "leavers" who were surveyed and whose responses are reported here are those W-2 participants who stopped receiving a cash payment for two or more consecutive months. A total of 11,417 persons met the definition of "leaver" over the nine-month period covered by the surveys. A random sample of 550 cases was drawn from each of the three quarters. Separate surveys were conducted on the three cohorts, which are defined by the quarter in which they left W-2.

The three quarterly survey cohorts were combined in order to produce a report more consistent with similar reports being produced by other states and covering a larger, possibly more representative "time slice" than would be the case with separate reports on each quarter. Out of the combined three-quarters sample of 1,650 W-2 leavers selected at random, survey responses had been obtained from 1,247 respondents in interviews conducted either over the telephone or in the field, for an overall response rate of nearly 76%. With the subtraction of eight duplicates, a survey sample consisting of 1,239 respondents provided the basis for the analysis in the report.

Throughout the report, a distinction is made between "continuous leavers" and "returners." Respondents were "continuous leavers" if they did not receive cash assistance at any time between the time they qualified as leavers (by virtue of having been off of cash assistance for at least two consecutive months) and the time they were interviewed. Respondents were "returners" if they returned to cash assistance at any time before the interview, but after the qualifying two consecutive months without cash assistance.

The result is a report with two analytical narratives unfolding side by side: one presenting results for leavers in general, the other comparing outcomes for continuous leavers and returners. In the report, this parallel structure frames discussions of several important areas of interest: demographics, employment, reliance on program supports, family needs and resources, child care and well-being, and experience with the W-2 program. The remainder of this executive summary offers some of the key findings in these different areas.

It is important to note that those findings reflect the subjective reporting of program participants, as distinct from objective data of the kind that might be gathered through the process of program administration. The possibility that such responses might differ from administrative data is especially great where the survey queried leavers about details of program participation that may have taken place a year or more earlier. But throughout the report, readers should bear in mind that the information it provides is confined mainly to what respondents told interviewers and has not undergone independent verification using other data.

Demographics

The population of W-2 leavers that emerges from the survey data consists mainly of single women in their twenties or early thirties living with from one to three children less than thirteen years old. Among the other salient characteristics of survey respondents:

- 86.5% reported living apart from the other parent of their children. The figure was higher for returners and lower for continuous leavers.
- 76.2% resided in Milwaukee County, with returners more likely than continuous leavers to reside there.
- 73.3% indicated that they were single and had never been married, with returners more likely than continuous leavers to report this.
- 65.8% reported living in a household in which at least one adult had at least a high school education or the equivalent. Continuous leavers were more likely than returners to report this.
- 63.7% reported living in a household in which at least one adult was working. Continuous leavers were more likely than returners to report living in such a household.
- 60.4% reported having at least one child under age five. Continuous leavers and returners reported similar numbers of children in various age groups.

Employment and earnings

Just under 58% of those leavers surveyed said they were employed at the time of the interview and approximately 82% reported that they had been employed at some point since leaving cash assistance. Most employed respondents were working at one “regular” job (as opposed to temporary or seasonal jobs or self-employment) in what would broadly be termed the service sector.

- Those who were employed reported working for an average of just over 35 hours per week, at wages averaging \$7.95 per hour. On average, continuous leavers reported more hours and higher wages than did returners.
- 65.1% of employed respondents reported wages of between \$6.00 and \$8.99 per hour, with 13% reporting wages of \$10.00 or more per hour. Larger percentages of continuous leavers than of returners reported earning \$8.00 or more per hour.
- 39.2% of working respondents said they had received a pay increase in their current job, with continuous leavers more likely than returners to report this.
- 42.6% of working respondents said they drove their own vehicles to work, with continuous leavers more likely than returners to report having access to a car of their own to get to work.
- 23.7% of working respondents reported problems with transportation to work, with returners more likely than continuous leavers to have had such problems.

Health-care coverage

Most respondents to the survey said they had some health care coverage both for themselves and for their families, through a combination of private insurance and public health insurance programs.

- 77% of respondents reported having health insurance coverage for themselves, with returners more likely than continuous leavers to be covered.
- 85.6% of employed respondents said they had health insurance coverage for all their children, with returners more likely than continuous leavers to have such coverage.
- 76.8% of all respondents said they or another family member had Medicaid coverage, with returners more likely than continuous leavers to report this.
- 19.2% of employed and insured respondents indicated having private health insurance coverage, with continuous leavers more likely than returners to be privately insured.

Continuing program supports

Most of the W-2 leavers surveyed for this report indicated that they were also continuing to make use of other program supports either available to them directly or obtained for or through another family member.

- 81.9% reported being aware of their possible eligibility for Medicaid coverage for their children after leaving W-2, and 67.6% were aware of their possible eligibility for Medicaid coverage for themselves. Continuous leavers and returners indicated such awareness at similar rates.
- 77.8% said they were aware of their possible eligibility for food stamps after leaving W-2, and 58% reported that they or another immediate family member were receiving food stamps. Returners were more likely than continuous leavers to report being aware of their eligibility for food stamps and to indicate that they or a family member were receiving them.
- 71% said they were aware of their possible continuing eligibility for child-care subsidies, and 65.3% indicated awareness that they might still be eligible for child-support agency help after leaving W-2. Continuous leavers and returners were similar in these respects.
- 58% reported at least one family member participating in a subsidized school lunch program, with returners more likely than continuous leavers to report this.

Other family supports

A number of survey respondents indicated that they were also receiving some support from a spouse or from the co-parent of a child and from tax credits designed to supplement the earnings of working families.

- 27.7% said they were receiving child support payments from the absent parent of a child; findings for continuous leavers and returners were similar.
- 8% said they lived with a spouse or co-parent who worked for pay; findings for continuous leavers and returners were similar.
- Respondents reported that their working spouses or co-parents were earning an average of \$10.15 an hour—slightly more in the case of continuous leavers, slightly less in the case of returners.
- 71.5% said they were aware of the federal Earned Income Tax Credit and 45.7% said they were aware of a similar Wisconsin state tax credit for working families. Of those who were aware of both credits, 71.2% said they were claiming one or the other (or

both) on their tax returns. Continuous leavers were more likely than were returners to be aware of and claiming one of these credits.

Individual attitudes and family needs

Respondents to the survey reported both improvements in their sense of well-being and continuing challenges in meeting some basic personal and family needs. For example:

- 93.5% said they felt the same or better about themselves since leaving W-2, with continuous leavers and returners reporting similarly.
- 84.1% said their satisfaction with life was the same or better since leaving W-2, with continuous leavers more likely than returners to report improvement.
- 57.1% said their worries about money had either stayed the same or decreased, with returners more likely than continuous leavers to report increased money concerns.
- 48.8% reported experiencing times during the previous two years when they could not afford food, with returners reporting this at a higher rate than did continuous leavers.
- 15.4% said that on occasion during the previous two years they had been unable to afford medical care for an ill household member, with continuous leavers reporting this at a higher rate than returners.
- 9.2% indicated that at some point during the previous two years they had stayed in a homeless shelter, with returners reporting this at a slightly higher rate than continuous leavers.

Child care

Child care was a central issue as W-2 leavers with young children ventured into the workforce. Most respondents with children under age 13 had some child-care arrangements, in many cases with the help of child-care subsidies designed to help former assistance recipients to maintain jobs.

- 86.3% reported having some child-care arrangements while at work, with continuous leavers and returners reporting similar circumstances.
- 61% of those with child-care arrangements reported having sought a child-care subsidy, with returners more likely than continuous leavers to report this.
- 66.1% of those seeking child-care subsidies said they had received one, with continuous leavers and returners reporting this at similar rates.
- 30.2% of respondents with a child in child care reported that a child-care problem had interfered with work efforts, with returners more likely than continuous leavers to report this.
- 15.6% reported lacking child care for at least one child under age 13, with similar percentages of continuous leavers and returners encountering this circumstance.

Child well-being

When asked specifically about the well-being of a “sample” child in their families, respondents reported patterns of change or improvement similar to those they described for themselves.

- 83.2% reported that their child’s grades had improved or remained the same, with continuous leavers and returners reporting similar results.

- 88.5% reported that their child's school attendance had improved or remained the same, with continuous leavers and returners reporting similarly.
- 93% reported that their child's health had improved or stayed the same, again with similar results for continuous leavers and returners.

W-2 experience

The survey suggests that most leavers left the W-2 program having participated in one or more specific program elements designed to prepare them for employment. Survey respondents reported having found many of these program elements helpful. Finding a job or deciding to pursue work independently were among the principal reasons respondents cited for having left W-2 cash assistance.

- 51.5% said they were offered or assigned job skills training aimed at preparing them for unsubsidized employment, and with returners more likely than continuous leavers to have participated in such training.
- 74.1% found W-2 agency staff to be helpful in preparing them for work, and 46.8% said they thought W-2 was better than AFDC. Similar percentages of continuous leavers and returners reported finding agency staff helpful and a higher percentage of continuous leavers than of returners said they considered W-2 better than AFDC.
- 34.3% said they stopped receiving W-2 cash assistance because they found a job, and another 14.4% said either that they simply preferred to work or could earn more that way. Continuous leavers and returners appeared similar in these respects.
- 22.1% said the W-2 program helped them find a job, while 73.7% said that they had felt capable of finding and holding a job at the time they first applied for W-2.

Obtaining the complete report

A copy of the full report is posted on the Department of Workforce Development Web site and is available for download at:

<http://www.dwd.state.wi.us/desw2/>

To obtain a print copy of the complete report, please contact:

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